

REQUEST FOR PROPOSALS

**MARICOPA ASSOCIATION OF GOVERNMENTS (MAG)
ROC Underwriter**



August 2, 2007

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PUBLIC NOTICE

REQUEST FOR PROPOSALS:

ROC UNDERWRITER

The Maricopa Association of Governments (MAG), in consultation with the Regional Public Transportation Authority (the Authority) and Valley Metro Rail (VMR), is requesting proposals from qualified firms to serve as underwriter for the issuance of debt obligations for land and an office building, Regional Office Center (ROC). The successful candidate will begin with a bond issue immediately following selection. Payment for underwriting services shall be from monies derived from the issuance of financial offerings. The underwriter will be responsible for any costs incurred by their firm if such offering(s) are not issued.

Detailed proposal requirements may be obtained by contacting the MAG Office at the address indicated below or may be downloaded from <http://www.mag.maricopa.gov/>, under "Employment/RFP's" then "RFPs/RFQs" For further information, please submit questions in writing by fax to the attention of ROC UNDERWRITER at (602) 452-5090, or by e-mail to rkimbrough@mag.maricopa.gov.

Proposals will be accepted until 12 p.m. (noon Mountain Standard Time) on August 31, 2007, at MAG offices, 302 North 1st Avenue, Suite 300, Phoenix, Arizona 85003

SCOPE OF WORK

Introduction

During Fiscal Year 2007/08 the Maricopa Association of Governments (MAG), the Regional Public Transportation Authority (the Authority) and Valley Metro Rail (METRO) (to be referred to jointly hereafter as the "Agencies"), pursuant to the terms of certain agreements between the Agencies, expect to facilitate the issuance of approximately \$80 - \$90 of lease revenue bonds, or similar lease-secured debt obligations (the "Obligations"). The proceeds of the Obligations will be used, among other things, to fund (i) acquisition of land and construction of an office building to house the Agencies (the "Regional Office Center", or the "ROC"), (ii) capitalized interest in an amount sufficient to pay the net interest cost of the Obligations for the period of construction of the ROC, (iii) costs of issuance and credit enhancement, if any, of the Obligations, and, if applicable, (iv) compensation of the firm, or firms, selected to underwrite the sale of the Obligations. As lead agency, MAG is hereby requesting proposals from qualified firms to serve as underwriter for the issuance of the Obligations. Representatives of the firm selected as senior managing underwriter for the Obligations (the "Underwriter"), must be available and prepared to begin work immediately on all aspects of the financing program in order to enable the issuance of the Obligations during October 2007. It is understood that this time frame may not be attainable, but will be pursued vigorously by the Agencies. Payment of underwriting compensation shall be from monies derived from the issuance of the Obligations. The Underwriter will be solely responsible for any costs incurred in the provision of such services should the Obligations not be issued.

Background

MAG is a Council of Governments and the designated Metropolitan Planning Organization for transportation planning for the metropolitan Phoenix area. . MAG is also the designated Air Quality Planning Agency for the region. The MAG membership consists of the 25 incorporated cities and towns within Maricopa County and the contiguous urbanized area, the Gila River Indian Community, the Salt River Pima-Maricopa Indian Community, Fort McDowell Yavapai Nation, Maricopa County, the Arizona Department of Transportation (ADOT), and the Citizens Transportation Oversight Committee (CTOC). ADOT and CTOC serve as ex-officio members for transportation-related issues.

The Authority is a political subdivision of the State of Arizona, established in 1985 along with the passage of a one-half of one percent sales tax increase that funds regional highway and public transportation improvements in Maricopa County, Arizona. The Authority was created to develop and operate a regional transit system in the County. The Authority is governed by a fourteen-member Board of Directors consisting of a member of the County Board of Supervisors and the mayors (or their designees) of the municipalities of Avondale, Chandler, El Mirage, Glendale, Mesa, Peoria, Phoenix, Scottsdale, Surprise and Tempe, and the Town of Gilbert, Queen Creek and Goodyear. Any municipality in the County may join the Authority and have one elected official serve on the Board of Directors by committing a portion of its local transportation assistance funds to local public transportation. An Executive Director, appointed by the Authority's Board of Directors, is responsible to carry out policy, plan, manage, supervise and coordinate all day-to-day activities. The extension of the half-cent sales tax in November 2004 provides more than \$9.4 billion (adjusted for inflation) in projects that the RPTA is managing, which includes bus operations and capital as well as light rail capital. The RPTA also manages regional bus operations, East Valley paratransit operations, and rideshare activities in Maricopa County including the Clean Air Campaign, vanpool program and trip reduction program marketing and training to more than 1,200 employees.

METRO is the nonprofit public corporation responsible for the planning, design, construction, and operation of the Phoenix metropolitan area's light rail transit system. METRO's incorporation followed six years of planning efforts and the approval by voters of several transportation tax initiatives at the municipal and county levels. VMR's Board of Directors is composed of representatives from the cities of Phoenix, Tempe, Mesa, Glendale and Chandler. The initial 20-mile starter segment will connect passengers between the cities of Phoenix, Tempe and Mesa. Planning and design for the extensions of the initial system are currently taking place.

The Facility will be an approximately 200,000 to 240,000 square foot, multi-story office building with an integrated, structured parking facility for approximately 570 vehicles located on an approximately 1.49 acre site at the NWC of 1st Avenue and McKinley Street in the City of Phoenix. The programmed use will be predominantly professional office space and will include a conference center facility of approximately 40,000 square feet which will consist of various conference spaces and "Board Room" areas. The program may include a mixed-use component at street level, potentially a restaurant/retail use of approximately 4,000 square feet and a media center facility of approximately 4,500 square feet. Users of the office space are programmed to be three regional agencies in the Phoenix Metropolitan area. The Regional Office Center building is anticipated to be ready for occupancy by August 2009.

The Agencies (the “Agencies”) seek to select an underwriter through this solicitation that will provide the most advantageous underwriting services for the issuance of the Obligations of the ROC. Responding firms must have experience in lease-back financings in the State of Arizona.

Payment for underwriting services shall be from monies derived from the issuance of financial offering(s) as described above. The underwriter will be responsible for any costs incurred by their firm if such offering(s) are not issued.

Proposed Tasks (SAMPLE)

The scope of services to be rendered to The Agencies by the underwriter shall include, but are not limited to, the following:

Task 1 Develop Alternative Financial Models

Develop necessary analytical models to evaluate financing alternatives, working with the Agencies personnel and its financial advisor(s). The Agencies preference is an underwriting firm with experience in lease-back financings in Arizona.

Task 2 Review All Debt Issuance Statements

Review preliminary and final official statements for the debt issuance as well as all legal documents prepared by bond counsel.

Task 3 Assume Primary Responsibility for Debt Issuance Activities

Assume primary responsibility for all activities associated with the issuance of debt including determining the best timing for cost effectiveness for the ROC for the sale and providing normal administrative services such as procurement of CUSIP numbers, DTC matters, etc.

Task 4 Participate In All Necessary Meetings

Participate, as directed, in all necessary informational meetings prior to and after the financing.

Task 5 Provide a Final Analysis of Sale

Provide a final analysis, both summary and detail, of the sale including allocation of the debt.

Task 6 Provide Other Underwriting-Related Services As Needed

Provide such other reasonable underwriting-related services as may be needed, necessary or deemed desirable by the Agencies, financial advisor(s), and bond counsel.

Assist MAG, the Authority, VMR, financial advisor(s), and bond counsel in all other matters necessary to ensure the success of the financing for the debt.

Task 7 Underwriter's Counsel

The underwriter will choose counsel based on criteria established by the underwriter. The Agencies prefer a qualified Arizona-based counsel. The Agencies must approve the final choice of underwriter's counsel and underwriter's counsel fees. Include on a document sent to MAG, offeror's proposed choice of underwriter's counsel and associated fees.

Each offeror is requested to submit a proposal and any joint proposals will not be accepted.

The Agencies have retained Bond Counsel for its debt issuance. The customary legal opinions with respect to state law, federal tax law and the legality of the transactions will be rendered by bond counsel.

Legal questions arising from offerors should be directed through MAG via e-mail to mag.maricopa.gov and will not be answered directly to offerors by counsel. Legal questions arising from offeror(s), prior to submission of proposals, which are determined by the Agencies to be significant, will be referred to counsel, and the answers to those questions, in the form of an amendment, will be provided to all offerors.

PROPOSAL REQUIREMENTS

Project Cost and Schedule

The estimated bond issuance time frame for this project is one to three months from the date of the notice to proceed, with intermediate deliverables due in accordance with the schedule as agreed to between MAG and the consultant(s). The date of the notice to proceed is anticipated to be September 11, 2007.

Proposal Delivery

1. Ten (10) copies of the proposal must be submitted by 12:00 pm (noon, Mountain Standard Time) on August 31, 2007.

Maricopa Association of Governments
Attention: ROC UNDERWRITER
302 North 1st Avenue, Suite 300
Phoenix, Arizona 85003

Timely receipt of proposals will be determined by the date and time the proposal is received at the above address. Hand delivery is therefore encouraged. No late submissions, facsimile, or electronic submissions will be accepted.

Proposals will be opened publicly and the name of each entity submitting a proposal will be read at 1:00 p.m. on August 31, 2007 at the MAG Offices, Palo Verde Room, 302 North 1st Avenue, Suite 200 Phoenix, Arizona, 85003.

All material submitted in response to this solicitation becomes the property of MAG and will not be returned. After contract award, the proposals shall be open for public inspection except to the extent that the withholding of information is permitted or required by law. If the offeror designates a portion of its proposal as confidential, it shall isolate and identify in writing the confidential portions in accordance with Arizona Administrative Code R2-7-104; which shall be included in the proposal. Upon receipt of your written notification, MAG will review any portions of the proposal that the proposer considers to be confidential and then make a determination on what should be released. MAG will also notify you in writing of our determination and provide you with an opportunity to respond to our decision prior to releasing the proposal.

2. Any questions regarding this Request for Proposals should be submitted in writing to ROC UNDERWRITER by fax at (602) 452-5090; or by email at rkimbrough@mag.maricopa.gov. Responses to questions submitted will be posted on the MAG Web site at www.mag.maricopa.gov. Additional information regarding MAG activities, including Committee meeting schedules, may be found on the MAG Web site www.mag.maricopa.gov.

Proposal Content

It is required that the proposal:

1. Be limited to a maximum length of 20 pages, including a cover letter, resumes, schedules and any appendices. Include a cover letter signed by a party authorized to bind the entity submitting the proposal.
2. Be prefaced by a brief statement describing the proposer's organization and outlining the firm's general approach to completing the work required by this solicitation. This statement shall illustrate the proposer's overall understanding of what needs to be accomplished for timely completion of the financing.
3. List the principals of the firm and the address of the firm's corporate headquarters.
4. Include a brief description, and location, of the firm's institutional, retail sales, and trading personnel expected to provide primary support in marketing the Obligations. List by location the firm's offices in Arizona that trade or offer for sale tax-exempt and taxable bonds.
5. Provide your firm's "equity capital position" (net capital) and "excess net capital position" based upon the Securities and Exchange Commission regulations for uniform reporting. (Do not include financial statements with the Proposal).
6. Provide a listing of the firm's experience as Senior Managing Underwriter in comparable negotiated lease-back financings in Arizona in which your firm has participated. Do not include transactions for which the firm served as financial advisor or co-managing underwriter. Summarize the amount of capital available and your firm's philosophy in applying that capital to ensure the placement and takedown of bond issues. Please provide specific examples and references.
7. Contain a work plan which concisely explains how the firm will carry out the objectives of the project. In the work plan, the proposer shall describe each project task and proposed approach to the task as clearly and thoroughly as possible.
8. Provide a general description, or financing schedule, of the steps necessary to accomplish the tasks at hand, and describe how you will meet the October 2007 deadline.
9. Contain a staffing plan for the project. The plan shall include the following in table format:
 - a. A project organization chart, identifying the project manager.
 - b. Names of key project team members and/or sub-consultants. Only those personnel who will be working directly on the project should be cited.
 - c. The role and responsibility of each team member.
 - d. Percent effort (time) of each team member for the contract period.
10. Include résumés for major staff members assigned to the project. These résumés should focus on their experience in this type of project. The résumé summaries of the individuals should indicate who would be working directly with the Agencies, the financial advisor(s) and bond counsel, including the number of years of experience each individual has with lease-back financing in Arizona.
11. Describe innovative strategies that your firm may use in taxable/tax-exempt lease-backed financing in Arizona utilizing a private development team.
12. Describe specific steps that your firm has taken or can take to reduce the costs of issuance.
13. Please provide a breakdown of your firm's proposed underwriting fee for the proposed Obligations, including details of all expenses to be included in the underwriting discount (i.e., federal funds, clearance, etc.). In your response, assume that the Obligations have been assigned an underlying rating of "A" by Standard & Poor's ("S&P"), and that the Obligations will also be assigned a rating of "AAA" by S&P due to the purchase of debt service insurance to be provided by one of the top four bond insurance providers. For calculating average takedown, please use the estimated Obligation maturity schedule contained in Appendix D. Please include the name and estimated fees of the firm you would have serve as underwriter's counsel in response to this question.
14. Please identify any material litigation or investigation in which your firm or its chief executives/officers or any of the firm's personnel listed is currently involved, or has been involved since January, 1999. Include any allegations of securities law violations by your firm or the principals listed and the disposition of any litigation.
15. Each firm submitting a proposal is required to certify that it will comply with, in all respects, the rules of professional conduct set forth in A.C.R.R. R4-30-301 (see Appendix A), which is the official compilation of the Rules of Professional Conduct from the Administrative Rules and Regulations for the State of Arizona.

16. All firms proposing on this project will be required to include a *AProposer's Registration Form*® (See Appendix B) in the submitted proposal. In addition, a *AProposer's Registration Form*® is required to be included for each subcontractor proposed for this project.
17. The Disadvantaged Business Enterprise (DBE) requirements in the Code of Federal Regulations Title 49, Part 26 will apply to this Contract. See Appendix C, "MAG's Key DBE Regulatory Requirements". A complete copy of MAG's DBE program is available on request.
18. Each firm shall document within its proposal any potential conflicts of interest. A conflict of interest shall be cause for disqualifying a consultant from consideration. A potential conflict of interest includes, but is not limited to:
 - a. Accepting an assignment where duty to the client would conflict with the consultant's personal interest, or interest of another client.
 - b. Performing work for a client or having an interest which conflicts with this contract.
 - c. Employing personnel who worked for the Agencies or one of its member agencies within the past three years.
19. Each firm shall document within its proposal any potential conflicts of interest. A conflict of interest shall be cause for disqualifying a consultant from consideration. A potential conflict of interest includes, but is not limited to:
 - a. Accepting an assignment where duty to the client would conflict with the consultant's personal interest, or interest of another client.
 - b. Performing work for a client or having an interest which conflicts with this contract.
 - c. Employing personnel who worked for the Agencies or one of its member agencies within the past three years.

d.All relationships with the Agencies and / or any employees of the Agencies.

The Agencies will be the final determining body as to whether a conflict of interest exists.

PROPOSAL EVALUATION AND SELECTION PROCESS

1. All proposals will be evaluated by an evaluation team consisting of the Agencies, the financial advisor and bond counsel staff.

Evaluation criteria include the following:

- a. Demonstrated understanding of the project through a well-defined work plan consistent with program objectives.
 - b. Clarity of proposal, realistic approach, technical soundness, and enhancements to elements outlined in this Request for Proposals.
 - c. Experience of the project manager and other project personnel in similar financing in Arizona. Only those personnel assigned to work directly on the project should be cited.
 - d. Proven track record in this area of study. Proposers should identify the principal people who worked on past projects and the amount of time they devoted to the work effort.
 - e. Availability of key personnel throughout the project effort.
 - f. Price, except for the procurement of architectural or engineering (A&E) services.
 - g. Ability and commitment to complete the project within the specified time period, meet all deadlines for submitting associated work products, and insure quality control.
 - h. Recognition of work priorities and flexibility to deal with change and contingencies.
2. On the basis of the above evaluation criteria, selected firms submitting proposals may be interviewed prior to the selection of a consultant. Phone interviews may be made during the week of September 3, 2007 and in-person interviews may be scheduled for the week of September 3, 2007. It is anticipated that firms selected for interviews will be contacted as soon as possible prior to the in-person interview date. MAG strongly suggests that the project manager and key members of the consultant team be present at the in-person interview.
 3. MAG may conduct discussions with offerors who submit proposals determined to be reasonably susceptible of being selected for award.
 4. MAG reserves the right to:
 - a. Cancel this solicitation.
 - b. Reject any and all proposals and re-advertise.
 - c. Select the proposal(s) that, in its judgment, will best meet its needs.
 - d. Negotiate a contract that covers selected parts of a proposal, or a contract that will be interrupted for a period or terminated for lack of funds.

ADMINISTRATIVE REQUIREMENTS

1. An audit examination of the consultant's records may be required.
2. The firm that is selected will be required to comply with Titles VI and VII of the Civil Rights Act of 1964. The contractor will comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375 and as supplemented in Department of Labor Regulations (41 CFR Part 60). The contractor will also be required to comply with all applicable laws and regulations of the U.S. Department of Transportation.
3. The firm selected will be required to comply with MAG insurance requirements, which may include: Workmen's Compensation, Architects and Engineers Professional Liability insurance, Commercial General Liability insurance, Business Automobile Liability insurance, and Valuable Papers insurance.
4. The firm selected is required to document any potential conflicts of interest during the contract period. A conflict of interest shall be cause for terminating a contract. A potential conflict of interest includes, but is not limited to:
 - a. Accepting an assignment where duty to the client would conflict with the consultant's personal interest, or interest of another client.
 - b. Performing work for a client or having an interest which conflicts with this contract.
 - c. Employing personnel who worked for the Agencies or one of its member agencies within the past three years.

The Agencies will be the final determining body as to whether a conflict of interest exists.

APPENDIX A

ARIZONA ADMINISTRATIVE CODE R4-30-301

ARTICLE 3. REGULATORY PROVISIONS

R4-30-301. Rules of Professional Conduct

All registrants shall comply with the following rules of professional conduct:

1. A registrant shall not submit any materially false statements or fail to disclose any material facts requested in connection with an application for registration, certification, or subpoena.
2. A registrant shall not engage in fraud, deceit, misrepresentation or concealment of material facts in advertising, soliciting, or providing professional services to members of the public.
3. A registrant shall not knowingly commit bribery of a public servant as proscribed in A.R.S. § 13-2602, knowingly commit commercial bribery as proscribed in A.R.S. § 13-2605, or violate any federal statute concerning bribery.
4. A registrant shall comply with state, municipal, and county laws, codes, ordinances, and regulations pertaining to the registrant's area of practice.
5. A registrant shall not violate any state or federal criminal statute involving dishonesty, fraud, misrepresentation, embezzlement, theft, forgery, perjury, bribery, or breach of fiduciary duty, if the violation is reasonably related to the registrant's area of practice.
6. A registrant shall apply the technical knowledge and skill that would be applied by other qualified registrants who practice the same profession in the same area and at the same time.
7. A registrant shall not accept an assignment if the duty to a client or the public would conflict with the registrant's personal interest or the interest of another client without full disclosure of all material facts of the conflict to each person who might be related to or affected by the project or engagement in question.
8. A registrant shall not accept compensation for services related to the same project or professional engagement from more than one party without making full disclosure to all parties and obtaining the express written consent of all parties involved.
1. A registrant shall make full disclosure to all parties concerning:
 - a. Any transaction involving payments to any person for the purpose of securing a contract, assignment, or engagement, except for actual and substantial technical assistance in preparing the proposal; or
 - b. Any monetary, financial, or beneficial interest the registrant may hold in a contracting firm or other entity providing goods or services, other than the registrant's professional services, to a project or engagement.
10. A registrant shall not solicit, receive, or accept compensation from material, equipment, or other product or services suppliers for specifying or endorsing their products, goods or services to any client or other person without full written disclosure to all parties.
11. If a registrant's professional judgment is overruled or not adhered to under circumstances where a serious threat to the public health, safety, or welfare may result, the registrant shall immediately notify the responsible party, appropriate building official, or agency, and the Board of the specific nature of the public threat.

12. If called upon or employed as an arbitrator to interpret contracts, to judge contract performance, or to perform any other arbitration duties, the registrant shall render decisions impartially and without bias to any party.
13. To the extent applicable to the professional engagement, a registrant shall conduct a land survey engagement in accordance with the April 12, 2001 Arizona Professional Lands Surveyors Association (APLS) Arizona Boundary Survey Minimum Standards, as adopted by the Board on June 15, 2001, the provisions of which are incorporated in this subsection by reference and on file with the Office of the Secretary of State. This incorporation by reference does not include any later amendments or editions.
14. A registrant shall comply with any subpoena issued by the Board or its designated administrative law judge.
15. A registrant shall update the registrant's address and telephone number of record with the Board within 30 days of the date of any change.
16. A registrant shall not sign, stamp, or seal any professional documents not prepared by the registrant or a bona fide employee.
17. Except as provided in subsections (18) and (19), a registrant shall not accept any professional engagement or assignment outside the registrant's professional registration category unless:
 - a. The registrant is qualified by education, technical knowledge, or experience to perform the work; and
 - b. The work is exempt under A.R.S. § 32-143.
18. A registered professional engineer may accept professional engagements or assignments in branches of engineering other than that branch in which the registrant has demonstrated proficiency by registration but only if the registrant has the education, technical knowledge, or experience to perform such engagements or assignments.
19. Except as otherwise provided by law, a registrant may act as the prime professional for a given project and select collaborating professionals; however, the registrant shall perform only those professional services for which the registrant is qualified by registration to perform and shall seal and sign only the work prepared by the registrant or by the registrant's bona fide employee.
20. A registrant who is designated as a responsible registrant shall be responsible for the firm or corporation. The Board may impose disciplinary action on the responsible registrant for any violation of Board statutes or rules that is committed by a non-registrant employee, firm, or corporation.

August 2004

APPENDIX B

PROPOSER'S REGISTRATION FORM

PROPOSER'S REGISTRATION FORM

All firms proposing as prime contractors or subcontractors on Maricopa Association of Governments (MAG) projects are required to be registered. **Please complete this form and return it with your proposal.**

If you have any questions about this registration form, please call the MAG Fiscal Services Manager, (602) 254-6300.

1. GENERAL INFORMATION:

Name of Firm: _____
Street Address: _____
City, State, ZIP _____
Mailing Address: _____
City, State, ZIP _____
Telephone Number _____
Fax Number: _____
E-mail address: _____
Web address: _____
Year firm was established _____

Check all that apply:

Is this firm a prime consultant? _____
Is this firm a sub-consultant? _____ Identify specialty: _____
Is this firm a certified DBE? _____ If so, by whom? _____
Is this firm currently debarred? _____
Is this firm currently the subject of debarment proceeding? _____

2. FINANCIAL INFORMATION

Firm's annual gross receipts (average of last 3 years):

_____ <\$300,000
_____ \$300,000 - \$599,999
_____ \$600,000 - \$999,999
_____ \$1,000,000 - \$4,999,999
_____ >\$5,000,000

Information will be maintained as confidential to the extent allowed by federal and state law. The undersigned swears that the above information is correct. Any material misrepresentation may be grounds for terminating any contract which may be awarded and initiating action under federal and state laws concerning false statements.

Name, Title

Date

APPENDIX C

MAG'S KEY DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM REQUIREMENTS FOR CONSULTANT CONTRACTS

MAG'S KEY DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM REQUIREMENTS FOR CONSULTANT CONTRACTS

The Disadvantaged Business Enterprise (DBE) requirements in the Code of Federal Regulations Title 49, Part 26 will apply to this contract. A complete copy of MAG's DBE Program is available by request to MAG's DBE Liaison Officer, at 602/254-6300.

The Consultant will agree to ensure that DBEs, as defined in 49 CFR 26, have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this agreement.

DBE Participation Goal and Reporting:

The DBE participation goal for MAG is 11 percent. DBEs used for this contract must be certified by the Arizona Department of Transportation or the City of Phoenix prior to the award of the contract. A list of Certified DBE organizations is available at the Civil Rights Office of the Arizona Department of Transportation or the City of Phoenix.

The Consultant will be required to report monthly on: (1) the utilization of any subcontractors, and (2) any payments made to subcontractors (DBEs and non-DBEs).

Requirement for Proposal:

All firms proposing on this project will be required to include a completed "Proposer's Registration Form" (See Appendix B) with their proposal. In addition, a completed Proposer's Registration Form must be included with the proposal for any subcontractors used on this project.

General Requirements for Proposals and Contract:

All proposers will be required to include the following information in their proposal and contract:

1. A clear and concise description of the work that each DBE will perform
2. The dollar amount of the participation of each DBE firm participating
3. Written documentation of the proposer's commitment to use a DBE subcontractor(s) whose participation it submits to meet a contract goal
4. If the contract goal is not met, evidence of good faith efforts to meet the goal

Contractor and Subcontractor Assurance:

MAG will incorporate into each contract it signs with a Prime Contractor, and require in each subcontract (that a Prime Contractor signs with a Subcontractor), the following assurance:

"The Contractor, Subrecipient or Subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as MAG deems appropriate."

Prompt Payment Provision:

"The Prime Contractor will pay Subcontractors for satisfactory performance of contracts no later than fourteen (14) calendar days from the date that the Prime Contractor receives payment from MAG. The Prime Contractor will also return retainage payments to the Subcontractor within fourteen (14) calendar days from the date of satisfactory completion of work."

Prime Contractors must:

1. Provide the Subcontractor with the name, address and phone number of the person to whom all invoices/billings and statements must be sent.
2. Pay Subcontractors and suppliers within fourteen (14) days of receipt of payment from MAG.
3. Stipulate the reason(s) in writing to the Subcontractor or supplier and to MAG for not abiding by the prompt payment provision. Possible reasons include:
 - a. Failure to provide all required documentation
 - b. Unsatisfactory job performance
 - c. Disputed work
 - d. Failure to comply with other material provisions of the contract
 - e. Third-party claims filed or reasonable evidence that a claim will be filed
 - f. Reasonable evidence that the contract cannot be completed for the unpaid balance of the contract sum or a reasonable amount for retainage.

Subcontractors must:

1. Submit invoices or billing statements to the Prime Contractor's designated contact person in an appropriate format and in a timely manner. The format and the timing of billing statements must be specified in the contract(s) between the Prime Contractor and the Subcontractor(s).
2. Notify MAG in writing of any potential violation of the prompt payment provision.

MAG will implement appropriate mechanisms to ensure compliance with the requirements of all program participants. The mechanisms MAG may use include, but are not limited to:

1. MAG will notify Subcontractors (DBE and Non-DBEs) of the Prime Contractor's responsibility for prompt payment and encourage Subcontractors to notify MAG in writing with any possible violations to the prompt payment mechanism.
2. Withholding payment from Prime Contractors who do not comply with the prompt payment provision noted above, where it has been determined by the MAG DBELO that delay of payment to the Subcontractor is not justified.
3. Stopping work on the contract until compliance issues are resolved.
4. Terminating the contract.

MAG will verify that the work committed to DBEs, at the time of the contract award, is actually performed by DBEs. This will be accomplished by:

1. Requiring Prime Contractors to report Subcontractor(s) (DBE and Non-DBEs) work performed in each monthly progress report along with an indication of the number of hours worked, any costs incurred and the amounts paid to the DBE(s).
2. Ensuring that DBE participation is credited toward the overall goal or contract goal(s) only when payments are actually made to DBE firms.

APPENDIX D

ESTIMATED OBLIGATION MATURITY SCHEDULE

| REGIONAL OFFICE CENTER | | | | | | |
|---|-----------|---------------|---------------|--|--|--|
| (THE INDUSTRIAL DEVELOPMENT AUTHORITY OF xxx AZ) | | | | | | |
| GOVERNMENT OFFICE BUILDING LEASE REVENUE BONDS, SERIES 2007 | | | | | | |
| (REGIONAL OFFICE CENTER PROJECT) | | | | | | |
| | | | | | | |
| | | \$60,000,000 | \$30,000,000 | | | |
| | | Series A | Series B | | | |
| | Payment | (Tax-Exempt) | (Taxable) | | | |
| | Date | Principal | Principal | | | |
| | 6/15/2010 | \$ 1,000,000 | \$ 400,000 | | | |
| | 6/15/2011 | 1,000,000 | 450,000 | | | |
| | 6/15/2012 | 1,100,000 | 450,000 | | | |
| | 6/15/2013 | 1,100,000 | 500,000 | | | |
| | 6/15/2014 | 1,200,000 | 500,000 | | | |
| | 6/15/2015 | 1,200,000 | 550,000 | | | |
| | 6/15/2016 | 1,300,000 | 600,000 | | | |
| | 6/15/2017 | 1,400,000 | 600,000 | | | |
| | 6/15/2018 | 1,400,000 | 650,000 | | | |
| | 6/15/2019 | 1,500,000 | 700,000 | | | |
| | 6/15/2020 | 1,600,000 | 750,000 | | | |
| | 6/15/2021 | 1,600,000 | 750,000 | | | |
| | 6/15/2022 | 1,700,000 | 800,000 | | | |
| | 6/15/2023 | 1,800,000 | 850,000 | | | |
| | 6/15/2024 | 1,900,000 | 900,000 | | | |
| | 6/15/2025 | 2,000,000 | 1,000,000 | | | |
| | 6/15/2026 | 2,100,000 | 1,050,000 | | | |
| | 6/15/2027 | 2,200,000 | 1,100,000 | | | |
| | 6/15/2028 | 2,300,000 | 1,150,000 | | | |
| | 6/15/2029 | 2,400,000 | 1,250,000 | | | |
| | 6/15/1930 | 2,500,000 | 1,300,000 | | | |
| | 6/15/2031 | 2,700,000 | 1,400,000 | | | |
| | 6/15/2032 | 2,800,000 | 1,450,000 | | | |
| | 6/15/2033 | 3,000,000 | 1,550,000 | | | |
| | 6/15/2034 | 3,100,000 | 1,650,000 | | | |
| | 6/15/2035 | 3,300,000 | 1,750,000 | | | |
| | 6/15/2036 | 3,400,000 | 1,850,000 | | | |
| | 6/15/2037 | 3,600,000 | 1,950,000 | | | |
| | 6/15/2038 | 3,800,000 | 2,100,000 | | | |
| | Total | \$ 60,000,000 | \$ 30,000,000 | | | |